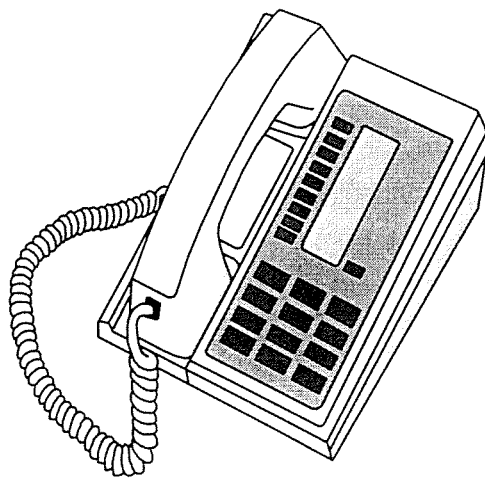


YEAR 2001

ANNUAL REPORT
OF
Clark Fork
Telecommunications, Inc.

TELEPHONE UTILITY



TO THE
PUBLIC SERVICE COMMISSION
STATE OF MONTANA
1701 PROSPECT AVENUE
P.O. BOX 202601
HELENA, MT 59620-2601

Telephone Annual Report

Table of Contents

Description	Schedule	Page
Instructions		i - vi
General Information	1	1
Officers	2	2
Total Company Balance Sheet	3	3
Total Company Income Statement	4	5
Total State Income Statement	5	6
Intrastate Income Statement	6	7
Intrastate Regulated Income Statement	7	8
Average Rate Base	8	9
Statement of Cash Flows	9	10
Receivables and Investment	10	11
Net Plant in Service	11	12
Plant Held for Future Use	12	13
Average Cost of Long Term Debt	13	14
Cost of Preferred Stock	14	15
Analysis of Common Stock	15	16
Capital Stock and Reacquired Debt	16	17
Total Company Expense Matrix	17	18
Total State Expense Matrix	18	20
Pension Costs	19	22

continued on next page

Description	Schedule	Page
Other Post Employment Benefits (OPEBs)	20	23
Payments for Services	21	25
Subscriber Line Usage Data	22	26
Central Office and Access Line Statistics	23	27
Central Office and Switch Information	24	28
Construction Budget	25	29
Montana Employee Counts	26	30
Compensation of Top 10 Montana Based Employees	27	31
Compensation of Top 5 Corporate Employees	28	32
Montana Composite Statistics	29	33
Depreciation	30	34
Montana Regulatory Capital Structure and Costs	31	35
Network Access - Charges and Revenues	32	35
Affiliated Transactions - To the Utility	33	36
Affiliated Transactions - By the Utility	34	37
Montana Earned Rate of Return	35	38
Other Taxes Paid	36	39
Universal Service Funds Received	37	39

Telephone Annual Report

Instructions

General

1. A Microsoft EXCEL 97 workbook of the annual report is being provided on computer disk for your convenience. The workbook contains the schedules of the annual report. Each schedule is on the worksheet named that schedule. For example, Schedule 1 is on the sheet titled "Schedule 1". By entering your company name in the cell named "Company" of the first worksheet, the spreadsheet will put your company name on all the worksheets in the workbook. The same is true for inputting the year of the report in the cell named "YEAR". You can "GOTO" the proper cell by using the F5 key and selecting the name of the cell.
2. The workbook contains input sections that are unprotected, and non-input sections that are protected. Cell protection can be disabled or enabled through "TOOLS – PROTECTION – UNPROTECT SHEET" on your toolbar. Formulas and checks are built into most of the templates.
3. Use of the disk is optional. The disk and the report cover shall be returned when the report is filed. There are macros built into the workbook to assist you with the report. An explanation of the macros is on the "Control" worksheet at the front of the workbook. The explanations start at cell A1.
4. All forms must be filled out in permanent ink and be legible. Note: Even if the computer disk is used, a printed version of the report shall be filed. **Please submit one unbound copy of the annual report along with the regular number of annual reports that you submit.** This aids in scanning the report so that it may be published on our web site. The orientation and margins are set up on each individual worksheet and should print on one page. If you elect not to use the disk, please format your reports to fit on one 8.5" by 11" page with the left binding edge (top if landscaped) set at .85", the right edge (bottom if landscaped) set at .4", and the remaining two margins at .5". You may select specific schedules to print – See the worksheet "CONTROL".
5. Unless otherwise indicated, all information required in these schedules shall be from the accounts prescribed in 47 C.F.R. Part 32 and the definitions and instructions therein will apply to this report wherever applicable.
6. Information on financial schedules may be rounded to thousands of dollars for companies with over 5,000 access lines. Companies submitting schedules rounded to thousands should so indicate at the top of the schedule.
7. Where more space is needed or more than one schedule is needed additional schedules may be attached and should be included directly behind the original schedule to which it pertains and be labeled accordingly (for example, Schedule 1A).

8. The information required with respect to any statement shall be furnished as a minimum requirement to which shall be added such further information as is necessary to make the required schedules not misleading.

9. The following schedules should be filled out with information on a total company basis:

- Schedules 1 - 4
- Schedule 10
- Schedules 13 - 17
- Schedule 19
- Schedule 20, Page 1 of 2
- Schedules 33 and 34

All other schedules should be filled out with Montana specific data. Financial schedules should include all amounts originating in Montana or allocated to Montana from other jurisdictions.

10. All companies owned by another company shall attach a corporate structure chart of the holding company.

11. The following schedules are not required to be filled out or submitted by companies with less than 5,000 access lines:

- Schedule 6
- Schedules 17 and 18
- Schedule 21

12. Schedules that have no activity during the year or are not applicable to the respondent should be marked as not applicable and submitted with the report.

13. Companies with under 5,000 lines may use summary accounts and should leave lines for subaccounts blank. Summary accounts are noted with an asterisk and subaccounts that are not required are noted with a caret.

14. Companies with over 5,000 lines must complete schedules to all required subaccount detail.

15. FCC Form M sheets may not be substituted in lieu of completing annual report schedules.

16. Common sense must be used when filling out all schedules.

Specific Instructions

Schedules 3 through 9

1. **Schedules 3, 4, and 9** should include all notes to the financial statements required by the FCC or included in the financial statements issued as audited financial statements. These notes should be included in the report directly behind the schedules and should be labeled appropriately (Schedule 3A, etc.).
2. **Schedule 5** may be omitted for companies doing business only in Montana.
3. **Schedule 6** is not required for companies with under 5,000 lines.
4. **Schedule 7** must be completed by all companies. For companies under 5,000 lines, this schedule may be completed on a total state basis. Any such company completing the form on a total state basis shall indicate this fact clearly on the form.
5. **Schedule 8** - Companies with less than 5,000 lines are not required to fill out the intrastate portion. The regulated rate base must be separated from the deregulated rate base but this may be done on a total state basis. Any company so doing shall clearly indicate this on the form.
6. Only accounts designated on **Schedule 8** may be included in rate base. Only companies who have specifically been authorized in a Commission order to include cash working capital in rate base may fill out line 8 on Schedule 8. Cash working capital must be calculated using the methodology approved in the Commission order. The most recent Commission Order, and Docket, specifying cash working capital shall be noted on the schedule.
7. **Schedule 9** - Instructions to complete are similar to those used for the Statement of Cash Flows in the FCC Form M.

Schedule 10

1. For the purpose of this schedule, nonofficial companies shall include any company in which the respondent has an ownership interest which does not meet the definition of an affiliated company set out in 47 C.F.R. Section 32.9000. This schedule shall not include telecommunications accounts receivable from other customers.

Schedule 11

1. All amounts listed in Column f that represent individual items for which the higher of cost or market value was in excess of \$50,000 for companies with under 5,000 lines and in excess of \$100,000 for companies with over 5,000 lines must be fully explained in notes to this schedule. The explanation must include the plant description and location, the original cost, the net book cost, the market value, the value at which it was transferred or the price at which it was sold, and the party to which it was transferred or sold.

Schedule 12

1. Respondents shall list each item amounting individually to \$100,000 or more and report all others in the aggregate.

2. Amounts in Column f relating to individual items exceeding \$50,000 shall be fully explained.

Schedule 15

1. Line 1 must be completed by all companies for the most recent calendar year. The retention and price/earnings ratios shall be calculated on a year end basis. Enter the actual year end market price in the "Year Ended" row. If the computer disk is used, enter the year end market price in the "High" column.
2. Lines starting at 9 shall be completed for each of the twelve months of the report year for all companies with over 5,000 access lines. Earnings per share and dividends per share shall be reported on a quarterly basis and entries shall be made only to the months that end the respective quarters (for example, March, June, September, and December.)

Schedule 19

1. All companies are required to submit this form. Companies with more than one plan (for example, both a retirement plan and a deferred savings plan) shall complete a schedule for each plan.
2. Companies with defined benefit plans must complete the entire form using FASB 87 and 132 guidelines.
3. Interest rate percentages shall be listed to two decimal places.

Schedule 20

1. All changes to the employee benefit plans shall be explained in a narrative on lines 15 and 16. All cost containment measures implemented in the reporting year shall be explained and quantified in a narrative on lines 15 & 16. All assumptions used in quantifying cost containment results shall be disclosed.
2. The schedule shall be filled out using FASB 106 and 132 guidelines.

Schedule 21

1. Respondents shall disclose all payments made during the year where the aggregate payment to the recipient was \$25,000 or more. Payments must include fees, retainers, commissions, gifts, contributions, assessments, bonuses, subscriptions, allowances for expenses or any other form of payment for services or as a donation.

Schedule 23

1. Respondents shall provide an attached sheet detailing the type and corresponding number of access lines for all entries in Column L (Other).

Schedule 24

1. Column (b). For each wire center that has a configuration of "Remote", Column (b) shall also reflect the respective "Host".
2. Column (c). Examples of Types of Switches are: Digital, Step by Step, and Crossbar.

Schedule 25

1. This schedule must be completed by all companies for the year following the reporting year.

Schedule 26

1. Respondents shall either report construction technicians and splicers as separate categories or footnote the appropriate categories and indicate the number of (1) construction technicians; and (2) splicers.

Schedule 27

1. Include in column (d) ALL additional forms of compensation, including, but not limited to: deferred compensation, deferred savings plan, profit sharing, supplemental or non-qualified retirement plan, employee stock ownership plan, restricted stock, stock options, stock appreciation rights, performance share awards, dividend equivalent shares, mortgage payments, use of company cars or car lease payments, tax preparation consulting, financial consulting, home security systems, company-paid physicals, subscriptions to periodicals, memberships, association or club dues, tuition reimbursement, employee discounts, and spouse travel.
2. The above compensation items shall be listed separately. Where more space is needed additional schedules may be attached and shall be included directly behind the original schedule to which it pertains.
3. If respondent is claiming protected status of salary information both a proprietary and non-proprietary copy of this schedule shall be filed. On the non-proprietary copy respondent shall indicate which columns respondent maintains are proprietary. A note stating that such information is being provided separately shall be included on the schedule. In no case shall either Column (a) - Name/Position, or Column (g) - Percent Increase Total Compensation, be considered proprietary. Respondent shall provide all requested information on the proprietary copy.

Schedule 28

1. Respondents shall provide all executive compensation information in conformance with that required by the Securities and Exchange Commission (SEC) (Regulation S-K Item 402, Executive Compensation).
2. Include in column (d) ALL additional forms of compensation, including, but not limited to: deferred compensation, deferred savings plan, profit sharing, supplemental or non-qualified retirement plan, employee stock ownership plan, restricted stock, stock options, stock appreciation rights, performance share awards, dividend equivalent shares, mortgage payments, use of company cars or car lease payments, tax preparation consulting, financial consulting, home security systems, company-paid physicals, subscriptions to periodicals, memberships, association or club dues, tuition reimbursement, employee discounts, and spouse travel.
3. All items included in Column (d) - Other Compensation shall be listed separately. Where more space is needed additional schedules may be attached and shall be included directly behind the original schedule.
4. In addition, respondents shall attach a copy of the executive compensation information provided to the SEC.

Schedule 29

1. Information from this schedule is consolidated with information from other Utilities and reported to the National Association of Regulatory Utility Commissioners (NARUC). Your assistance in completing this schedule, even though information may be located in other areas of the annual report, expedites reporting to the NARUC and is appreciated.

Schedules 33 and 34

1. Respondents shall report all transactions with affiliated companies.
2. Column (c). Respondents shall indicate in column (c) the method used to determine the price. Respondents shall indicate if a contract is in place between the Affiliate and the Utility. If a contract is in place, respondents shall indicate the year the contract was initiated, the term of the contract and the method used to determine the contract price.
3. Column (c). If the method used to determine the price is different than the previous year, respondents shall provide an explanation, including the reason for the change.

Schedule 35

1. Respondents shall provide an attached sheet detailing the account and the amount for all entries made to Lines 9 and 16.
2. Only companies who have specifically been authorized in a Commission Order to include cash working capital in rate base may include cash working capital in lines 9 or 16. Cash working capital must be calculated using the methodology approved in the Commission Order. The Commission Order specifying cash working capital shall be noted on the attached sheet.
3. Respondents shall indicate, for each adjustment on lines 30 through 42, if the amount is updated or if it is from the last rate case. All adjustments shall be calculated using Commission methodology.

Schedule 36

1. Respondents shall list the amount of tax accrued or paid for the fiscal year attributable to Montana sources for each of the listed taxes

Schedule 37

1. Respondents shall list the amount of Universal Service Funds received from Montana and from the federal government.

General Information

Year: 2001

1.	Legal Name of Respondent:	Clark Fork Telecommunications, Inc.
2.	Name Under Which Respondent Does Business:	Clark Fork Telecommunications, Inc. DBA Blackfoot CFT
3.	Date of Incorporation:	May 11, 1993
4.	Address to send Correspondence Concerning Report:	1221 N. Russell, Missoula MT 59808
5.	Person Responsible for This Report:	Rita J. Robertson, CPA Financial Analyst
5a.	Telephone Number:	(406)-541-5293
Control Over Respondent		
1.	If direct control over the respondent was held by another entity at the end of year provide the following:	
1a.	Name and address of the controlling organization or person: BTC Holdings, Inc. 1221 N. Russell Missoula, MT 59808	
1b.	Means by which control was held:	Stock Ownership
1c.	Percent Ownership:	100%

Board of Directors		
Line No.	Name of Director and Address (City, State) (a)	Fees Paid During Year (b)
1	James Couture, 981 N. Couture Loop, Arlee, MT 59821	4,700
2	Geoffrey Wilson, 250 Southside Road, Superior, MT 59872	9,436
3	William Nelson, P.O. Box 348, Greenough, MT 59836	6,600
4	Tom Eggersperger, P.O. Box 219, Thompson Falls, MT 59873	8,872
5	Ross Friede, 5638 Hwy 1, Hall, MT 59837	7,650
6	Joe Nagy, P.O. Box 482, Seeley Lake, MT 59868	4,500
7	William Teague, P.O. Box 118, Clinton, MT 59825	3,675
8		
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15		
16		
17		
18	Chairman of the Board: Ross Friede - address and fee information above.	
19		
20		

Officers

Year: 2001

Line No.	Title of Officer (a)	Department Over Which Jurisdiction is Exercised (b)	Name and Address of Person Holding Office at Year End (c)
1	President	None	Ross Friede
2			5638 Hwy 1, Hall MT
3			
4	Vice President	None	Tom Eggersperger
5			PO Box 219, Thompson Falls MT
6			
7	Secretary/Treasurer	None	James Couture
8			981 N. Couture Loop, Arlee MT
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Total Company Balance Sheet

Year: 2001

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		CURRENT ASSETS:		
2	1120	Cash and Equivalents	3,397,335	4,153,059
3	1180	Telecommunications Accounts Receivable - Net	611,639	663,171
4	1190	Other Accounts Receivable - Net	2,906,848	2,612,089
5	1200	Notes Receivable - Net		
6	1210	Interest and Dividends Receivable		
7	1220	Materials and Supplies	624,022	
8	* 1280	Prepayments		
9	^ 1290	Prepaid Rents		
10	^ 1300	Prepaid Taxes		
11	^ 1310	Prepaid Insurance		
12	^ 1320	Prepaid Directory Expenses		
13	^ 1330	Other Prepayments		
14	1350	Other Current Assets	31,636	3,880
15		Total Current Assets	7,571,480	7,432,199
16		NONCURRENT ASSETS:		
17	1401	Investments in Affiliated Companies		
18	1402	Investments in Nonaffiliated Companies	1,170,659	1,202,606
19	1406	Nonregulated Investments		
20	1407	Unamortized Debt Issuance Expense		
21	1408	Sinking Funds		
22	1410	Other Noncurrent Assets	3,776	3,591
23	1438	Deferred Maintenance and Retirements		
24	1439	Deferred Charges		
25	1500	Other Jurisdictional Assets - Net		
26		Total Noncurrent Assets	1,174,435	1,206,197
27		PROPERTY, PLANT, & EQUIPMENT:		
28	2001	Telecommunications Plant in Service	37,297,345	35,645,415
29	2002	Property Held for Future Telecommunications Use		
30	2003	Plant Under Construction - Short Term	520,185	489,916
31	2004	Plant Under Construction - Long Term		
32	2005	Telecommunications Plant Adjustment	8,740,435	8,740,435
33	2006	Nonoperating Plant		
34	2690	Organizational Costs/Intangibles	173,611	163,611
35	3100	Accumulated Depreciation	(16,422,978)	(14,769,853)
36	3200	Accumulated Depreciation - Held for Future Use		
37	3500	Accumulated Depreciation - Organizational Costs	(122,938)	(71,888)
38	3400	Accumulated Amortization	(1,717,095)	(1,496,836)
39		Net Property, Plant, & Equipment	28,468,565	28,700,800
40		TOTAL ASSETS	37,214,480	37,339,196

^ Subaccount of account marked with a *.

Total Company Balance Sheet

Year: 2001

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
41		CURRENT LIABILITIES:		
42	4010	Accounts Payable	168,127	358,034
43	4020	Notes Payable		
44	4030	Advance Billing and Payments	171,085	204,063
45	4040	Customer Deposits	124,472	103,319
46	4050	Current Maturities - Long Term Debt	1,400,788	1,206,452
47	4060	Current Maturities - Capital Leases		
48	4070	Income Taxes - Accrued		
49	4080	Other Taxes - Accrued	334,757	329,441
50	4100	Net Current Deferred Operating Income Taxes	168,771	817,552
51	4110	Net Current Deferred Nonoperating Income Taxes		
52	4120	Other Accrued Liabilities	164,967	173,968
53	4130	Other Current Liabilities		
54		Total Current Liabilities	2,532,967	3,192,829
55		LONG-TERM DEBT:		
56	4210	Funded Debt	23,367,513	24,934,047
57	4220	Premium on Long-Term Debt		
58	4230	Discount on Long-Term Debt		
59	4240	Reacquired Debt		
60	4250	Obligations Under Capital leases		
61	4260	Advances From Affiliated Companies		
62	4270	Other Long-Term Debt		
63		Total Long-Term Debt	23,367,513	24,934,047
64		OTHER LIABILITIES AND DEFERRED CREDITS:		
65	4310	Other Long-Term Liabilities		
66	4320	Unamort. Oper. Invest. Tax Credits - Net		
67	4330	Unamort. Nonoper. Invest. Tax Credits - Net		
68	4340	Net Noncurrent Deferred Oper. Income Taxes	30,700	
69	4350	Net Noncurrent Deferred Nonoper. Income Taxes		
70	4360	Other Deferred Credits		
71	4370	Other Jurisdictional Liab. and Def. Credits		
72		Total Other Liabilities and Deferred Credits	30,700	
73		STOCKHOLDERS' EQUITY:		
74	4510	Capital Stock	4,700,000	4,700,000
75	4520	Additional Paid-In Capital		
76	4530	Treasury Stock		
77	4540	Other Capital		
78	4550	Retained Earnings	6,583,300	4,512,320
79		Total Stockholders' Equity	11,283,300	9,212,320
80		TOTAL LIAB. AND STOCKHOLDERS' EQUITY	37,214,480	37,339,196

Total Company Income Statement

Year: 2001

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		REVENUES:		
2	5000	Basic Local Service Revenues	2,630,641	2,535,026
3	5080	Network Access Revenues	10,845,814	10,153,574
4	* 5100	Long Distance Message Revenue	1,106,315	108,736
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue	1,091,261	100,625
7	^ 5160	Other Long Distance Revenue	15,054	8,111
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue	243,943	405,395
10	^ 5230	Directory Revenue	35,829	4,128
11	^ 5240	Rent Revenue		
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue	121,946	139,682
14	^ 5270	Carrier Billing and Collection Revenue	86,168	261,585
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue	25,202	20,420
17		Total Revenues (L.2+L.3+L.4+L.9-L.16)	14,801,511	13,182,311
18		OPERATING EXPENSES:		
19	6110	Network Support Expense		
20	6120	General Support Expense	456,197	439,712
21	6210	Central Office Switching Expense	752,331	828,859
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense	202,994	149,108
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense	963,172	751,564
26	^ 6431	Aerial Wire Expense	963,172	751,564
27	^ 6441	Conduit Systems Expense		
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense	551,800	574,319
30	6540	Access Expense	717,598	23,889
31	6560	Depreciation and Amortization Expense	3,356,020	3,361,840
32	6610	Marketing	94,358	66,798
33	6620	Services	719,581	664,714
34	6710	Executive and Planning	261,581	242,976
35	6720	General and Administrative	1,559,435	1,372,193
36	6790	Provision for Uncollectible Notes Receivable		
37		Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)	9,635,067	8,475,972
38	7100	Other Operating Income and Expense		
39	7200	Operating Taxes	1,627,010	1,454,146
40		Net Operating Income (L.17-L.37+L.38-L.39)	3,539,434	3,252,193
41	7300	Nonoperating Income and Expense	(118,474)	269,181
42	7400	Nonoperating Taxes		
43	7500	Interest and Related Items	1,489,041	1,682,854
44	7600	Extraordinary Items		
45	7910	Effects of Juris. Ratemaking Diff. - Net		
46	7990	Nonregulated Net Income	(139,061)	(72,078)
47		NET INCOME (L.40+L.41-L.42-L.43-L.44+L.45-L.46)	2,070,980	1,910,598

^ Subaccount of the account marked with a *.

Montana Total State Income Statement

Year: 2001

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		REVENUES:		
2	5000	Basic Local Service Revenues		
3	5080	Network Access Revenues		
4	* 5100	Long Distance Message Revenue		
5	^ 5110	Unidirectional Long Distance Revenue	This schedule is the same as Schedule #4. Clark Fork Telecommunications, Inc. only operates in Montana.	
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue		
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue		
10	^ 5230	Directory Revenue		
11	^ 5240	Rent Revenue		
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue		
14	^ 5270	Carrier Billing and Collection Revenue		
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue		
17		Total Revenues (L.2+L.3+L.4+L.9-L.16)		
18		OPERATING EXPENSES:		
19	6110	Network Support Expense		
20	6120	General Support Expense		
21	6210	Central Office Switching Expense		
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense		
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense		
26	^ 6431	Aerial Wire Expense		
27	^ 6441	Conduit Systems Expense		
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense		
30	6540	Access Expense		
31	6560	Depreciation and Amortization Expense		
32	6610	Marketing		
33	6620	Services		
34	6710	Executive and Planning		
35	6720	General and Administrative		
36	6790	Provision for Uncollectible Notes Receivable		
37		Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)		
38	7100	Other Operating Income and Expense		
39	7200	Operating Taxes		
40		Net Operating Income (L.17-L.37+L.38-L.39)		

^ Subaccount of the account marked with a *.

Montana Intrastate Income Statement

Year: 2001

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		REVENUES:		
2	5000	Basic Local Service Revenues	2,630,643	2,535,026
3	5080	Network Access Revenues	1,894,520	2,119,612
4	* 5100	Long Distance Message Revenue	696,253	
5	^ 5110	Unidirectional Long Distance Revenue	570,710	
6	^ 5120	Long Distance Private Network Revenue	121,714	
7	^ 5160	Other Long Distance Revenue	3,829	
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue	342,138	156,184
10	^ 5230	Directory Revenue	19,303	
11	^ 5240	Rent Revenue	5,344	
12	^ 5250	Corporate Operations Revenue	14,602	
13	^ 5260	Miscellaneous Revenue	102,000	
14	^ 5270	Carrier Billing and Collection Revenue	19,791	156,184
15	^ 5280	Nonregulated Revenue	181,098	
16	5300	Uncollectible Revenue		20,420
17		Total Revenues (L.2+L.3+L.4+L.9-L.16)	5,563,554	4,790,402
18		OPERATING EXPENSES:		
19	6110	Network Support Expense		446
20	6120	General Support Expense	Information is not available at this time.	286,332
21	6210	Central Office Switching Expense		436,497
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense		78,524
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense		523,414
26	^ 6431	Aerial Wire Expense		523,414
27	^ 6441	Conduit Systems Expense		
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense		374,567
30	6540	Access Expense		
31	6560	Depreciation and Amortization Expense		2,084,403
32	6610	Marketing		38,121
33	6620	Services		438,460
34	6710	Executive and Planning		131,112
35	6720	General and Administrative		846,245
36		Interstate Expense adjustment		(3,762,678)
37		Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)		1,475,443
38	7100	Other Operating Income and Expense		
39	7200	Operating Taxes		436,296
40		Net Operating Income (L.17-L.37+L.38-L.39)	5,563,554	2,878,663

^ Subaccount of the account marked with a *.

Montana Intrastate Regulated Income Statement

Year: 2001

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		REVENUES:		
2	5000	Basic Local Service Revenues		
3	5080	Network Access Revenues		
4	* 5100	Long Distance Message Revenue		
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue		
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue		
10	^ 5230	Directory Revenue	This schedule is the same as schedule #6 as Clark Fork Telecommunications, Inc. only operates in Montana.	
11	^ 5240	Rent Revenue		
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue		
14	^ 5270	Carrier Billing and Collection Revenue		
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue		
17		Total Revenues (L.2+L.3+L.4+L.9-L.16)		
18		OPERATING EXPENSES:		
19	6110	Network Support Expense		
20	6120	General Support Expense		
21	6210	Central Office Switching Expense		
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense		
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense		
26	^ 6431	Aerial Wire Expense	This schedule is the same as schedule #6 as Clark Fork Telecommunications, Inc. only operates in Montana.	
27	^ 6441	Conduit Systems Expense		
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense		
30	6540	Access Expense		
31	6560	Depreciation and Amortization Expense		
32	6610	Marketing		
33	6620	Services		
34	6710	Executive and Planning		
35	6720	General and Administrative		
36	6790	Provision for Uncollectible Notes Receivable		
37		Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)	#VALUE!	
38	7100	Other Operating Income and Expense		
39	7200	Operating Taxes		
40		Net Operating Income (L.17-L.37+L.38-L.39)	#VALUE!	

^ Subaccount of the account marked with a *.

Average Rate Base - Total State

Year: 2001

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service		35,036,108
2	3100	Accumulated Depreciation	Information not available at this time.	14,071,646
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies		
6	4340	Noncurrent Deferred Operating Income Taxes		84,872
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)	#VALUE!	20,879,590

Average Rate Base - Intrastate

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service		22,850,328
2	3100	Accumulated Depreciation	Information not available at this time.	8,718,499
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies		
6	4340	Noncurrent Deferred Operating Income Taxes		55,353
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)	#VALUE!	14,076,476

Average Rate Base - Regulated Intrastate

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service		14,205,900
2	3100	Accumulated Depreciation	Information not available at this time.	5,461,344
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies		
6	4340	Noncurrent Deferred Operating Income Taxes		34,412
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)	#VALUE!	8,710,144

*Information from Cost Study - Part 36

Statement of Cash Flows

Year: 2001

Line No.	Item Description (a)	Amount (b)	Amount (c)
1	Increase/(decrease) in Cash & Cash Equivalents		(755,524)
2	Cash Flows from Operating Activities:		
3	Net Income		2,070,980
4	Reconciliation Adjustments:		
5	Depreciation & Amortization	3,584,997	
6	Provision for Accounts Receivable Losses		
7	Deferred Income Taxes - Net	30,700	
8	Noncash Patronage Dividends	(29,834)	
9	Allowance for Funds Used During Construction (AFUDC)		
10	Change in Operating Receivables - Net	(667,276)	
11	Change in Materials, Supplies & Inventories - Net	(624,022)	
12	Change in Operating Payables & Accrued Liabilities - Net	(189,907)	
13	Change in Other Assets & Deferred Credits - Net	(39,581)	
14	Change in Other Liabilities & Deferred Credits - Net	(652,466)	
15	Other (explained on back of this page)		
16	Total Adjustments		1,412,611
17	Net Cash Provided by/(Used in) Operating Activities		3,483,591
18	Cash Inflows/Outflows From Investing Activities:		
19	Construction/Acquisition of Property, Plant & Equipment (net of		
20	AFUDC & Capital Lease Related Acquisitions)	(2,919,994)	
21	Proceeds from Disposals of Property, Plant & Equipment	47,506	
22	Investments In & Advances to Affiliates		
23	Proceeds from Repayment of Advances	5,556	
24	Other Investing Activities (explained on back of this page)	(185)	
25	Net Cash Provided by/(Used in) Investing Activities		(2,867,117)
26	Cash Flows from Financing Activities:		
27	Net Incr./(Decr.) in Short-Term Debt, Original maturity < = 3 mo.		
28	Advances from Affiliates		
29	Repayment of Advances from Affiliates		
30	Proceeds from Issuances of Long-Term Debt		
31	Repayment of Long-Term Debt	(1,372,198)	
32	Payment of Capital Lease Obligations		
33	Proceeds from Issuing Common Stock/Parent Co. Equity Investment		
34	Repurchase of Treasury Shares		
35	Dividends Paid		
36	Other Financing Activities (explained on back of this page)		
37	Net Cash Provided by Financing Activities		(1,372,198)
38	Effect of Exchange Rate Changes on Cash		
39	Net Increase/(Decrease) in Cash & Cash Equivalents		(755,724)
40	Cash & Cash Equivalents at Beginning of Period		4,153,059
41	Cash & Cash Equivalents at End of Period		3,397,335

Receivables and Investments-Affiliated & Nonaffiliated Companies

Year: 2001

	Account 1160 Temporary Investments (b)	Account 1180 Telecom. Accounts Receivable (c)	Account 1181 Accts. Rec. Telecom. Allowance (d)	Account 1190 Other Accounts Receivable (e)	Account 1191 Accounts Receivable Allow. - Other (f)	Account 1200 Notes Receivable (g)	Account 1201 Notes Receivable Allowance (h)	Account 1210 Interest and Dividends Receivable (i)	Account 1401 Investments in Affil. Companies (j)	Account 1402 Investments in Nonaffil. Companies (k)
1 Rural Telephone Finance Cooperative										
2 Rural Telephone Bank										
3 Thompson Falls SC										
4 Vision Net										
5 Telephone Subscribers		611,637								
6 Qwest Settlement										
7 AT&T Settlement				10,724						1,087,032
8 National Exchange				296,031						9,891
9 Carrier Association				584,485						33,796
0 MT Ind Local										39,940
1 Exchange Carrier				75,000						
2 Ind NECA Services				11,010						
3 Other Interstate Carriers				374,646						
4 USAC				37,361						
5 ANPI Toll				43,000						
6 Misc Receivables				100,657						
7 Blackfoot Telecom				61,610						
8 Blackfoot Telephone				1,310,127						
9 Montana Wireless				2,198						
Totals		611,637		2,906,849						1,170,659

Net Plant in Service - Detail

Year: 2001

Line No.	Account (a)	Description (b)	Beginning of Year Balance (c)	Additions (d)	Retirements (e)	Sales & Transfers (f)	End of Year Account 2001 Balance (g)	Year End Accumulated Depreciation (h)	End of Year Net Plant Balance (i)
1	*	2110 Land and Support Assets	780,833	215,569	-	-	996,402	397,960	598,442
2	^	2111 Land	33,643				33,643		33,643
3	^	2112 Motor Vehicles					-		-
4	^	2113 Aircraft					-		-
5	^	2114 Special Purpose Vehicles					-		-
6	^	2115 Garage Work Equipment					-		-
7	^	2116 Other Work Equipment					-		-
8	^	2121 Buildings	747,190	215,569			962,759	397,960	564,799
9	^	2122 Furniture					-		-
10	^	2123 Office Equipment					-		-
11	^	2124 General Purpose Computers					-		-
12		2211 Analog Electronic Switching					-		-
13		2212 Digital Electronic Switching	3,491,267	206,834	(52,950)	360	3,645,511	3,127,686	517,825
14		2215 Electro-Mechanical Switching					-		-
15		2220 Operator Systems					-		-
16		2231 Radio Systems	24,485				24,485	13,404	11,081
17		2232 Circuit Equipment	5,761,977	1,214,597	(1,118,225)	65,380	5,923,729	3,242,480	2,681,249
18	*	2310 Information Orig & Term Equip	-	-	-	-	-	-	-
19	^	2311 Station Apparatus					-		-
20	^	2321 Customer Premises Wiring					-		-
21	^	2341 Large Private Branch Exchanges					-		-
22	^	2351 Public Telephone Term. Equip.					-		-
23	^	2362 Other Terminal Equipment					-		-
24		2411 Poles	194,548	2,153	(973)		195,728	122,226	73,502
25		2420 Cable and Wire Facilities	25,344,685	1,397,913	(117,342)	(161,385)	26,463,871	9,508,758	16,955,113
26	^	2421 Aerial Cable	963,721		(9,494)		954,227	521,208	433,019
27	^	2422 Underground Cable	56,682				56,682	16,107	40,575
28	^	2423 Buried Cable	24,324,282	1,397,913	(107,848)	(161,385)	25,452,962	8,971,443	16,481,519
29	^	2424 Submarine Cable					-		-
30	^	2425 Deep Sea Cable					-		-
31	^	2426 Intrabuilding Network Cable					-		-
32		2431 Aerial Wire					-		-
33		2441 Conduit Systems	47,619				47,619	10,464	37,155
34		Totals	35,645,414	3,037,066	(1,289,490)	(95,645)	37,297,345	16,422,978	20,874,367

^ Subaccount of the account marked with a *

Analysis of Plant Held for Future Use

Year: 2001

Line No.	Location and Description of Property (a)	Date Included in Account 2002 (b)	Book Cost of Property at Beginning of Year (c)	Additions During the Year (d)	Retirements During the Year (e)	Transfers and Adjustments Charges and (Credits) (f)	Book Cost of Property at End of Year (g)
1	None						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30	Totals (Sum L.1 to L.29)						

Average Cost of Long Term Debt

Year: 2001

Line No.	Description (a)	Issue Date (b)	Maturity Date (c)	Principal Amount (d)	Gross Proceeds (e)	Net Proceeds (f)	Net Per \$100 (g)	Outstanding Per Balance Sheet (h)	Yield to Maturity (i)	Annual Net Cost (j)	Amortization of Premium or Discount (k)	Total Cost (%) (l)
1	RTFC	Mar-94	Feb-14	23,299,100	23,299,100	23,299,100		14,723,836		993,313		6.75%
2	RUS	Jul-96	Jul-17	11,027,000	11,027,000	11,027,000		9,825,131		650,877		6.62%
3	RTB	May-96		207,708	207,708	207,708		185,075		10,477		5.66%
4	RUS Econ Dev	Mar-98	Mar-08	50,000	50,000	50,000		34,259				
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												
30	Total			34,583,808	34,583,808	34,583,808	100	24,768,301		1,654,667		6.68%

Company Name: Clark Fork Telecommunications, Inc.

SCHEDULE 14

Year: 2001

Cost of Preferred Stock

Line No.	Description (a)	Date of Issuance (b)	Method of Offering (c)	Call Redemption Price (d)	Par Value Of Issue (e)	Gross Proceeds Amounts (f)	Net Proceeds Amounts (g)	Net Proceeds Per \$100 (h)	Cost of Money (i)	Principal Outstanding (j)	Annual Cost (k)	Embedded Cost (l)
1	None											
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
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18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												
30	Totals (Sum L.1 to L.29)											

Analysis of Common Stock

Year: 2001

Line No.	(a)	Avg. Number of Shares Outstanding (b)	Book Value (per share) (c)	Earnings (per share) (d)	Dividends (per share) (e)	Retention Ratio (f)	Market Price High (g)	Low (h)	Price/Earnings Ratio (i)
1	Year Ended December 31:	4700	1000				n/a	n/a	
2									
3									
4									
5									
6									
7									
8	Month by Month Data:								
9	January								
10	February								
11	March								
12	April								
13	May								
14	June								
15	July								
16	August								
17	September								
18	October								
19	November								
20	December								
21									
22									
23									

Company Name: Clark Fork Telecommunications, Inc.

SCHEDULE 16

Capital Stock and Funded Debt Reacquired or Retired During the Year

Year: 2001

Line No.	Description of Security (a)	Call or Retirement Date (b)	Number of Shares (c)	Principal Amount (d)	Reacquisition or Retirement Cost (e)	Gain or (Loss) (f)	Retirement or Reacquisition (g)
1	None						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
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19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30	Totals (Sum L.1 to L.29)						

Total Company Expense Matrix

Line No.	Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
1	*	Network Support Expense						
2	^	Motor Vehicle Expense						
3	^	Aircraft Expense						
4	^	Special Purpose Vehicles Expense						
5	^	Garage Work Equipment Expense						
6	^	Other Work Equipment Expense						
7	*	General Support Expense	150,052	49,119	16	257,012		456,199
8	^	Land and Building Expense	31,933	9,734	16	155,578		197,261
9	^	Furniture and Artworks Expense				9,714		9,714
10	^	Office Equipment Expense	5,680	1,692		16,294		23,666
11	^	General Purpose Computers Expense	112,439	37,693		75,426		225,558
12	*	Central Office Switching Expense	50,323	18,801	83	687,587		756,794
13	^	Analog Electronic Expense						
14	^	Digital Electronic Expense						
15	^	Electro-Mechanical Expense	50,323	18,801	83	687,587		756,794
16		Operator Systems Expense						
17	*	Central Office Transmission Expense		32,165	74	72,084		198,531
18	^	Radio Systems Expense	94,208					
19	^	Circuit Equipment Expense	94,208	32,165	74	72,084		198,531
20	*	Information Origination/Termination Expense						
21	^	Station Apparatus Expense						
22	^	Large Private Branch Exchange Expense						
23	^	Public Telephone Terminal Equipment Exp.						
24	^	Other Terminal Equipment Expense						
25	*	Cable and Wire Facilities Expense	429,587	150,715	11,903	370,965		963,170
26	^	Poles Expense	8,580	2,921	3,099	27,893		42,493
27	^	Aerial Cable Expense	44,901	16,435	154	22,411		83,901
28	^	Underground Cable Expense						
29	^	Buried Cable Expense						
30	^	Submarine Cable Expense	376,106	131,359	8,650	320,661		836,776
31	^	Deep Sea Cable Expense						
32	^	Intrabuilding Network Cable Expense						
33	^	Aerial Wire Expense						
34		Subtotals	724,170	250,800	12,076	1,387,648		2,374,694

^ Subaccount of the account marked with a *

Total Company Expense Matrix

Year: 2001

Line No.	Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
35	^	Conduit Systems Expense						
36	6441	Other Property Expenses						551,799
37	*	Network Operations Expense	312,081	110,665		129,053		74,093
38	^	Power Expense				74,093		177,383
39	^	Network Administration Expense	121,394	43,344		12,645		34,493
40	^	Testing Expense	20,824	9,262		4,407		70,123
41	^	Plant Operations Expense	46,898	16,848		6,377		195,707
42	^	Engineering Expense	122,965	41,211		31,531		717,598
43		Access Expense				717,598		2,880,922
44		Depreciation - Telecomm. Plant in Service				2,880,922		424,049
45		Depreciation-Allocated from Parent				424,049		
46		Amortization Expense - Tangible						
47		Amortization Expense - Intangible						
48		Amortization - Other				271,309		271,309
49	*	Marketing	52,954	13,175		28,228		94,357
50	^	Product Management	41,386	9,709		157		51,252
51	^	Sales	3,218	653				3,871
52	^	Product Advertising	8,350	2,813		28,071		39,234
53		Call Completion Services				3,126		3,126
54		Number Services	17,237	7,534		13,884		38,655
55		Customer Services	431,862	170,976		74,962		677,800
56		Executive	133,891	33,572		94,118		261,581
57		Planning						
58		Accounting and Finance	204,276	62,303		100,643		367,222
59		External Relations	58,552	21,193		56,188		135,933
60		Human Relations	31,864	10,980		11,220		54,064
61		Information Management	367,642	100,802		54,237		522,681
62		Legal	50,480	6,446		44,419		101,345
63		Procurement	27,772	7,856		1,088		36,716
64		Research and Development						
65		Other General and Administrative						
66		Provision for Uncollectible Notes Receivable	117,222	40,381		183,873		341,476
67		Totals	2,530,003	836,683	12,076	6,476,565		9,855,327

^ Subaccount of the account marked with a *.

Total State Expense Matrix

Line No.	Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
1	*	Network Support Expense						
2	^	Motor Vehicle Expense						
3	^	Aircraft Expense						
4	^	Special Purpose Vehicles Expense						
5	^	Garage Work Equipment Expense						
6	^	Other Work Equipment Expense						
7	*	General Support Expense						
8	^	Land and Building Expense						
9	^	Furniture and Artworks Expense						
10	^	Office Equipment Expense						
11	^	General Purpose Computers Expense						
12	*	Central Office Switching Expense						
13	^	Analog Electronic Expense						
14	^	Digital Electronic Expense						
15	^	Electro-Mechanical Expense						
16		Operator Systems Expense						
17	*	Central Office Transmission Expense						
18	^	Radio Systems Expense						
19	^	Circuit Equipment Expense						
20	*	Information Origination/Termination Expense						
21	^	Station Apparatus Expense						
22	^	Large Private Branch Exchange Expense						
23	^	Public Telephone Terminal Equipment Exp.						
24	^	Other Terminal Equipment Expense						
25	*	Cable and Wire Facilities Expense						
26	^	Poles Expense						
27	^	Aerial Cable Expense						
28	^	Underground Cable Expense						
29	^	Buried Cable Expense						
30	^	Submarine Cable Expense						
31	^	Deep Sea Cable Expense						
32	^	Intrabuilding Network Cable Expense						
33	^	Aerial Wire Expense						
34		Subtotals						

* Subaccount of the account marked with a *.

Total State Expense Matrix

Line No.	Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
35	^	Conduit Systems Expense						
36		Other Property Expenses						
37	*	Network Operations Expense						
38	^	Power Expense						
39	^	Network Administration Expense						
40	^	Testing Expense						
41	^	Plant Operations Expense						
42	^	Engineering Expense						
43		Access Expense						
44		Depreciation - Telecomm. Plant in Service						
45		Depreciation-Prop. for Future Telecom. Use						
46		Amortization Expense - Tangible						
47		Amortization Expense - Intangible						
48		Amortization - Other						
49	*	Marketing						
50	^	Product Management						
51	^	Sales						
52	^	Product Advertising						
53		Call Completion Services						
54		Number Services						
55		Customer Services						
56		Executive						
57		Planning						
58		Accounting and Finance						
59		External Relations						
60		Human Relations						
61		Information Management						
62		Legal						
63		Procurement						
64		Research and Development						
65		Other General and Administrative						
66		Provision for Uncollectible Notes Receivable						
67		Totals						

This schedule is the same as #17.
Clark Fork Telecommunications, Inc. operates only in MONTANA.

* Subaccount of the account marked with a *.

Pension Costs

Year: 2001

1	Plan Name N/A			
2	Defined Benefit Plan? _____ N/A _____		Defined Contribution Plan? _____ N/A _____	
3	Actuarial Cost Method? _____		IRS Code: _____	
4	Annual Contribution by Employer: _____		Is the Plan Over Funded? _____	
5				
	Item	Current Year	Last Year	% Change
6	Change in Benefit Obligation			
7	Benefit obligation at beginning of year			
8	Service cost			
9	Interest Cost			
10	Plan participants' contributions			
11	Amendments			
12	Actuarial Gain	N/A		#VALUE!
13	Acquisition			
14	Benefits paid			
15	Benefit obligation at end of year			
16	Change in Plan Assets			
17	Fair value of plan assets at beginning of year			
18	Actual return on plan assets			
19	Acquisition			
20	Employer contribution			
21	Plan participants' contributions			
22	Benefits paid			
23	Fair value of plan assets at end of year			
24	Funded Status			
25	Unrecognized net actuarial loss			
26	Unrecognized prior service cost			
27	Prepaid (accrued) benefit cost			
28				
29	Weighted-average Assumptions as of Year End			
30	Discount rate			
31	Expected return on plan assets			
32	Rate of compensation increase			
33				
34	Components of Net Periodic Benefit Costs			
35	Service cost			
36	Interest cost			
37	Expected return on plan assets			
38	Amortization of prior service cost			
39	Recognized net actuarial loss			
40	Net periodic benefit cost			
41				
42	Montana Intrastate Costs:			
43	Pension Costs			
44	Pension Costs Capitalized			
45	Accumulated Pension Asset (Liability) at Year End			
46	Number of Company Employees:			
47	Covered by the Plan			
48	Not Covered by the Plan			
49	Active			
50	Retired			
51	Deferred Vested Terminated			

Other Post Employment Benefits (OPEBS)

	Item	Current Year	Last Year	% Change
1	Regulatory Treatment:			
2	Commission authorized - most recent			
3	Docket number: _____			
4	Order number: _____			
5	Amount recovered through rates			
6	Weighted-average Assumptions as of Year End			
7	Discount rate			
8	Expected return on plan assets			
9	Medical Cost Inflation Rate			
10	Actuarial Cost Method			
11	Rate of compensation increase			
12	List each method used to fund OPEBs (ie: VEBA, 401(h)) and if tax advantaged:			
13		N/A	N/A	
14				
15	Describe any Changes to the Benefit Plan:			
16				
17	TOTAL COMPANY			
18	Change in Benefit Obligation			
19	Benefit obligation at beginning of year			
20	Service cost			
21	Interest Cost	N/A	N/A	#VALUE!
22	Plan participants' contributions			
23	Amendments			
24	Actuarial Gain			
25	Acquisition			
26	Benefits paid			
27	Benefit obligation at end of year			
28	Change in Plan Assets			
29	Fair value of plan assets at beginning of year			
30	Actual return on plan assets			
31	Acquisition			
32	Employer contribution			
33	Plan participants' contributions			
34	Benefits paid			
35	Fair value of plan assets at end of year			
36	Funded Status			
37	Unrecognized net actuarial loss			
38	Unrecognized prior service cost			
39	Prepaid (accrued) benefit cost			
40	Components of Net Periodic Benefit Costs			
41	Service cost			
42	Interest cost	N/A	N/A	#VALUE!
43	Expected return on plan assets			
44	Amortization of prior service cost			
45	Recognized net actuarial loss			
46	Net periodic benefit cost			
47	Accumulated Post Retirement Benefit Obligation			
48	Amount Funded through VEBA			
49	Amount Funded through 401(h)			
50	Amount Funded through Other _____			
51	TOTAL			
52	Amount that was tax deductible - VEBA			
53	Amount that was tax deductible - 401(h)			
54	Amount that was tax deductible - Other _____			
55	TOTAL			

Other Post Employment Benefits (OPEBS) Continued

	Item	Current Year	Last Year	% Change
1	Number of Company Employees:			
2	Covered by the Plan			
3	Not Covered by the Plan			
4	Active	N/A	N/A	#VALUE!
5	Retired			
6	Spouses/Dependants covered by the Plan			
7	Montana			
8	Change in Benefit Obligation			
9	Benefit obligation at beginning of year			
10	Service cost			
11	Interest Cost			
12	Plan participants' contributions			
13	Amendments			
14	Actuarial Gain			
15	Acquisition			
16	Benefits paid			
17	Benefit obligation at end of year			
18	Change in Plan Assets			
19	Fair value of plan assets at beginning of year			
20	Actual return on plan assets			
21	Acquisition			
22	Employer contribution			
23	Plan participants' contributions			
24	Benefits paid			
25	Fair value of plan assets at end of year			
26	Funded Status			
27	Unrecognized net actuarial loss			
28	Unrecognized prior service cost			
29	Prepaid (accrued) benefit cost			
30	Components of Net Periodic Benefit Cccosts			
31	Service cost			
32	Interest cost			
33	Expected return on plan assets			
34	Amortization of prior service cost			
35	Recognized net actuarial loss			
36	Net periodic benefit cost			
37	Accumulated Post Retirement Benefit Obligation			
38	Amount Funded through VEBA			
39	Amount Funded through 401(h)			
40	Amount Funded through other _____			
41	TOTAL			
42	Amount that was tax deductible - VEBA			
43	Amount that was tax deductible - 401(h)			
44	Amount that was tax deductible - Other			
45	TOTAL			
46	Montana Intrastate Costs:			
47	Pension Costs			
48	Pension Costs Capitalized			
49	Accumulated Pension Asset (Liability) at Year End			
50	Number of Montana Employees:			
51	Covered by the Plan			
52	Not Covered by the Plan			
53	Active			
54	Retired			
55	Spouses/Dependants covered by the Plan			

Payments for Services to Persons Other Than Employees

Year: 2001

Line No.	Name of Recipient (a)	Nature of Service (b)	Total Company Cost (c)	Total State Cost (d)	Intrastate Cost (e)
1	J-Tech Communications	Web Design	7,500	Not Available at this time.	Not Available at this time.
2	Larry Deeds	Architect	6,526		
3	McClenahan Construction	Construction	5,700		
4	Moss Adams	Auditors	9,617		
5	Neal Structural Repair	Maintenance	9,200		
6	GVNW	Consulting - Cost Studies	12,797		
7					
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46					
47					
48					
49	Total				

Subscriber Line Usage Data

Year: 2001

Line No.	Description (a)	This Year (b)	% of Total (c)	Last Year (d)	% of Total (e)
1	Toll Usage:				
2	Interstate, InterLATA	34,861,450	54.01%	34,514,458	53.19%
3	Interstate, IntraLATA	16,780	0.03%	22,329	0.03%
4	Total Interstate Usage	34,878,230	54.03%	34,536,787	53.22%
5	Intrastate, InterLATA	8,976,661	13.91%	9,332,477	14.38%
6	Intrastate, IntraLATA	20,693,122	32.06%	21,019,727	32.39%
7	Total Intrastate Usage	29,669,783	45.97%	30,352,204	46.78%
8	Total Toll Usage	64,548,013	100.00%	64,888,991	100.00%
9	Centrex *				
10	Local *				
11	Total Minutes	64,548,013	100.00%	64,888,991	100.00%

* - Centrex & Local NOT AVAILABLE

Central Office and Access Line Statistics

Year: 2001

Line No.	Wire Center (a)	Type of Office (b)	Residential (c)	ISDN (d)	ADSL (e)	Lifeline Customers (f)	Residential LMS Customers (g)	Single Line Business (h)	Multi-Line Business (i)	Customer Owned Coin (j)	Company Owned Coin (k)	Other (l)	% of Lines w/ T. Tone (m)	Total Access Lines (n)
1														
2	Pursuant to N2002.7.86 data contained in this schedule is proprietary and subject to a protective order .													
3														
4														
5														
6														
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30														
31														
32														
33	Total		6736	3	16	229		1611	56	98	33	159	900	8712

NOTE: Additional blank schedules are being provided for your convenience.

Central Office and Switch Information

Line No.	Wire Center (a)	Office Configuration (Host, Remote, Stand alone) (b)	Type of Switch (c)	Switch Vendor/ Manufacturer (d)	Switch Model No. (e)	Switch Line Capacity (f)	Year Deployed (g)
1	Pursuant to N2002.7.86 data contained in this schedule is proprietary and subject to a protective order .						
2							
3							
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48							

NOTE: Additional blank schedules are being provided for your convenience.

Construction Budget - Montana

Year: 2002

Line No.	Description (a)	2002 (b)
1	Central Office Assets:	
2	DLC Additions	321,378
3	Special Circuits	146,156
4	DSL Additions	49,057
5	Transmission Additions	31,275
6	Switch Line Card Additions	3,573
7	Test Equipment	25,600
8		
9		
10		
11		
12		
13		
14		
15		
16		
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19		
20		
21		
22		
23		
24		
25		
26		
27	Total Switching and Central Office Projects over \$500,000	
28	Miscellaneous Central Office Projects not over \$500,000	577,039
29	Total Central Office Budget (Total of Line 27 & Line 28)	577,039
30	Other Projects over \$500,000:	
31	Cable Expansion to new customers	415,658
32	High Voltage Protection for cable system	83,824
33	Fiber Upgrade to DLC at 12 locations	899,289
34	Upgrade parking garages at two remote switching offices	40,000
35		
36		
37		
38		
39		
40		
41	Total Other Projects over \$500,000	
42	Miscellaneous projects not over \$500,000	1,438,771
43	Total Construction Budget (Total of Lines 29, 41 & 42)	2,015,810

Per annual budget

Montana Employee Counts

Year: 2001

Line No.	Category (a)	Beginning of Year (b)	End of Year (c)
1			
2	Clark Fork Telecommunications, Inc. has no employees.		
3	Employee services are provided through service agreements with		
4	Blackfoot Telephone Cooperative, Inc.		
5			
6			
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41			
42			
43	Totals (Sum of Lines 1 through 42)		

Compensation of Top 10 Montana Based Employees

Year: 2001

Line No.	Name/Title (a)	Base Salary (b)	Bonuses (c)	Other Compensation (d)	Total Compensation (e)	Total Compensation Last Year (f)	% Increase Total Compensation (g)
1	Clark Fork Telecommunications, Inc. has no employees. Employee services are provided through service agreements with Blackfoot Telephone Cooperative, Inc.						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11	Totals (Sum L.1 to L.10)						

Compensation of Top 5 Corporate Employees - SEC Information

Line No.	Name/Title (a)	Base Salary (b)	Bonuses (c)	Other Compensation (d)	Total Compensation (e)	Total Compensation Last Year (f)	% Increase Total Compensation (g)
1	Clark Fork Telecommunications, Inc. has no employees. Employee services are provided through service agreements with Blackfoot Telephone Cooperative, Inc.						
2							
3							
4							
5							
6	Totals (Sum L.1 to L.5)						

Montana Composite Statistics

Year: 2001

Line No.	Account No.	Description (a)	Amount (b)
1		Plant (Intrastate Only) (000 Omitted)	
2	2001	Plant in Service	Information is not available at this time.
3	2003 - 2004	Construction Work in Progress	
4	2005	Plant Acquisition Adjustments	
5	2002	Plant Held for Future Use	
6	1220	Materials & Supplies	
7		(Less):	
8	3100 - 3400	Depreciation & Amortization Reserves	
9	4360.2	Contributions in Aid of Construction	
10		NET BOOK COSTS	
11		Revenues & Expenses (Intrastate Only) (000 Omitted)	
12	5000 - 5300	Operating Revenues	Information is not available at this time.
13	6560	Depreciation & Amortization Expenses	
14		Federal & State Income Taxes	
15		Other Taxes	
16		Other Operating Expenses	
17		TOTAL Operating Expenses	
18		Net Operating Income	#VALUE!
19		Other Income	#VALUE!
20		Other Deductions	
21		NET INCOME	
22		Access Lines in Service (Intrastate Only)	
23		Residential Access Lines	Information is not available at this time.
24		Business Access Lines	
25		PBX Access Lines	
26		Other Access Lines	
27		Total Number of Access Lines	
28		Average Number of Calls Per Access Line	
29		Local Calls	Information is not available at this time.
30		Toll Calls (Intra- or Interstate)	
31		Total Number of Calls Per Access Line (Total of Line 29 & Line 30)	
32		Other Statistics (Intrastate Only)	
33		Average Residential Monthly Bill	
34		Gross Plant Investment per Access Line	

Depreciation - Montana Intrastate Regulated

Year: 2001

Line No.	Acct No. (a)	Description (b)	Composite Rate % (c)	Total Expense \$ (d)
1	2112	Motor Vehicles		
2	2114	Special Purpose Vehicles		
3	2115	Garage Work Equipment		
4	2116	Other work Equipment		
5	2121	Buildings	2.3%	17,785
6	2122	Furniture		
7	2123.1	Office Support Equipment		
8	2123.2	Company Communications Equipment		
9	2124	General Purpose Computers		
10	2211	Analog Electronic Switching Equipment		
11	2212	Digital Electronic Switching Equipment	16.6%	583,209
12	2215	Step By Step Switching Equipment		
13	2215	Crossbar Switching Equipment		
14	2220	Operator System		
15	2231	Radio Systems	14.4%	3,526
16	2232	Circuit DDS		
17	2232	Circuit Digital	14.4%	868,579
18	2232	Circuit Analog	14.4%	2,481
19	2351	Public Telephone Terminating Equipment		
20	2362	Other Terminal Equipment		
21	2411	Poles	3.5%	6,812
22	2421	Aerial Cable Metallic	9.5%	87,767
23	2421	Aerial Cable Nonmetallic	9.5%	2,844
24	2422	Underground Cable Metallic	5.0%	2,700
25	2422	Underground Cable Nonmetallic	5.0%	157
26	2423	Buried Cable Metallic	5.3%	1,073,900
27	2423	Buried Cable Nonmetallic	5.3%	229,219
28	2424	Submarine Cable Metallic		
29	2424	Submarine Cable Nonmetallic		
30	2426	Intrabuilding Network Cable Metallic		
31	2426	Intrabuilding Network Cable Nonmetallic		
32	2431	Aerial Wire		
33	2441	Conduit Systems	4.1%	1,943
34				
35		COMPOSITE TOTAL	7.7%	
36	Have these rates been approved by the Commission? ____YES __X__ NO			
37				
38				
39	If yes: _____ Docket Number _____ Order Number			
40				

From RUS report and Jim's data

Montana Regulatory Capital Structure & Costs

Year: 2001

Line No.	Description (a)	% Cap. Str. (b)	% Cost Rate (c)	Weighted Cost (d)
	Commission Accepted - Most Recent			
1	Docket Number	N/A		
2	Order Number			
3				
4	Common Equity			
5	Preferred Stock			
6	Long Term Debt			
7	Other			
8	Total			
9				
10	Actual at Year End			
11				
12	Common Equity	30.00%	11.250%	3.375%
13	Preferred Stock			
14	Long Term Debt	70.00%	6.680%	4.676%
15	Other			
16	Total	100.00%		8.051%

**Only use Long Term debt & Equity w/FCC 11.25 on equity and interest from sch 13.

Network Access - Charges and Revenues

Year: 2001

Line No.	Description (a)	Access Charges Paid (b)	Access Revenues Received (c)
1	Montana - Total State		8,962,607
2			
3	Montana - Intrastate		1,883,207
4			
5	Montana - Intrastate Regulated		
6			
7			
8			
9			
10	** Access rate is contractual - Remains at \$0.0716 per minute.		
11			
12			
13			

Affiliate Transactions - Products & Services Provided to Utility

Year: 2001

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges to Utility (d)	% Total Affil. Revenues (e)	Charges to MT Utility (f)
1	Blackfoot Telephone Coop	Payables	Cash	21,842		21,842
2	Blackfoot Telephone Coop	Audit Entry	Cost	35,260		35,260
3	Blackfoot Telephone Coop	Inventory	Cost	1,573,989		1,573,989
4	Blackfoot Telephone Coop	Labor	Cost	4,592,746		4,592,746
5	Blackfoot Telephone Coop	Allocations	Cost	1,487,384		1,487,384
6	Blackfoot Telephone Coop	ANPI Expense	Cost	506,392		506,392
7	Blackfoot Telephone Coop	Miscellaneous	Cost	19,636		19,636
8						
9	Montana Wireless, Inc.	Payables	Cash	58,408		58,408
10	Montana Wireless, Inc.	Allocations	Cost	577,523		577,523
11	Montana Wireless, Inc.	Federal Income Tax	Cost	1,000,954		1,000,954
12	Montana Wireless, Inc.	Miscellaneous	Cost	4,673		4,673
13						
14	Blackfoot Tel-Com, Inc.	A/R	Cash	24,541		24,541
15	Blackfoot Tel-Com, Inc.	Audit Entries	Cost	57,311		57,311
16	Blackfoot Tel-Com, Inc.	Reclassifications	Cost	235,598		235,598
17						
18	Blackfoot.Net	Allocations	Cost	24,183		24,183
19	Blackfoot.Net	Federal Income Tax	Cost	120,559		120,559
20	Blackfoot.Net	Miscellaneous	Cost	273		273
21						
22						
23						
24						
25						
26						
27						
28						
29						
30	TOTAL			\$10,341,272		\$10,341,272

Source: Intercompany transfer sheets

Affiliate Transactions - Products & Services Provided by Utility

Year: 2001

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges to Affiliate (d)	% Total Affil. Revenues (e)	Charges to MT Utility (f)
1	Blackfoot Telephone Coop	A/R	Cash	115,033		115,033
2	Blackfoot Telephone Coop	Cash	Cash	7,949,883		7,949,883
3	Blackfoot Telephone Coop	Allocations	Cost	219,439		219,439
4	Blackfoot Telephone Coop	Miscellaneous	Cost	30,536		30,536
5						
6	Montana Wireless, Inc.	Cash	Cash	1,679,415		1,679,415
7	Montana Wireless, Inc.	Allocations	Cost	5,244		5,244
8	Montana Wireless, Inc.	Interest	Cash	853		853
9						
10	Blackfoot Tel-Com, Inc.	Reclassifications	Cost	5,387		5,387
11	Blackfoot Tel-Com, Inc.	Cash	Cash	364,252		364,252
12	Blackfoot Tel-Com, Inc.	Miscellaneous	Cost	61,670		61,670
13						
14	Blackfoot .Net	Cash	Cash	664,896		664,896
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30	TOTAL			\$11,096,608		\$11,096,608

Source: Intercompany transfer sheets

Montana Intrastate Regulated Earned Rate of Return

Year: 2001

Line No.	Description Rate Base (a)	This Year (b)	Last Year (c)	Percent Change (d)
1				
2	2001 Plant in Service		22,850,328	-100.00%
3	2002 Prop. Held for Future Telecommunications Use			
4	3100-3200 (Less) Accumulated Depreciation		(8,718,499)	100.00%
5	Plant in Service		14,131,829	-100.00%
6				
7	Additions	Information not available at this time.		
8	1220 Materials & Supplies			
9	1280 Prepayments			
10	Other Additions			
11	TOTAL Additions			
12				
13	Deductions			
14	4100 Current Deferred Operating Income Taxes			
15	4320 Unamortized Operating Investment Tax Credits			
16	4340 Noncurrent Deferred Operating Income Taxes		55,353	-100.00%
17	Customer Advances for Construction		43,942	-100.00%
18	Other Deductions			
19	TOTAL Deductions		99,295	-100.00%
20	TOTAL Rate Base		14,032,534	-100.00%
21				
22	Net Earnings		2,160,182	-100.00%
23				
24	Rate of Return on Average Rate Base		15.394%	-100.00%
25				
26	Rate of Return on Average Equity		38.960%	-100.00%
27				
28	Major Normalizing Adjustments & Commission			
29	<u>Ratemaking adjustments to Utility Operations</u>			
30				
31	*Net intrastate earnings have been reduced by intrastate income taxes.			
32				
33				
34				
35	From Part 36 of the Cost Study			
36				
37				
38				
39				
40				
41				
42				
43	Adjusted Rate of Return on Average Rate Base		15.394%	-100.00%
44				
45	Adjusted Rate of Return on Average Equity		38.960%	-100.00%

Other Taxes Paid

Year: 2001

Line No.	Description (a)	Last Year (b)	This Year (c)
1	Montana Telephone Company License Tax	N/A	N/A
2	Montana Public Service Commission Tax	5,473	7,123
3	Montana Consumer Counsel Tax	3,165	3,643
4	911 Emergency Telephone Fee	48,833	50,074
5	Montana Telecommunications Access Service (TDD)	9,767	9,940
6	Montana Corporate License Tax		
7	Personal Property Tax	Included w/RE taxes - centrally assessed	
8	Real Property Tax		
9		672,651	687,751
10			
11			
12	Total	739,889	758,531

Company Name: Clark Fork Telecommunications, Inc.

Universal Service Funds Received

Year: 2001

Line No.	Description (a)	Last Year (b)	This Year (c)
13	Funds received from Montana Sources		
14	Funds received from Federal Sources	3,762,678	4,464,007
15			
16			
17			
18			
19			
20			
21			
22			
23			
24	Total	3,762,678	4,464,007